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10/644,281

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Christian Spicler

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PATENT DOCKET ADMINISTRATOR

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EXAMINER

RANKINS, WILLIAM E

ART UNIT

PAPER NUMBER

3696

MAIL DATE

DELIVERY MODE

06/08/2009

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/644,281

Applicant(s)

SPIELER ET AL.

Examiner

WILLIAM E. RANKINS

Art Unit

3696

Period for Reply -- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 22 March 2009.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-20 and 22-46 is/are pending in the application.
- 4a) Of the above claim(s) 1-20, 24 and 25 is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 22, 23 and 26-46 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/SF/08)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Information Disclosure Statement

The information disclosure statement (IDS) submitted on 08/20/2003 and 10/09/2003 was filed in compliance with the provisions of 37 CFR 1.97. Accordingly, the information disclosure statement is being considered by the examiner.

Status of Claims

Claims 1-20 and 22-25 are pending in this application. Claims 1-20, 24 and 25 are canceled, claim 23 is amended and claims 26-44 are new.

Response to Arguments

1. Applicant's arguments, see pg. 8, filed 03/22/2009, with respect to claims 1-20, 24 and 25 have been fully considered and are persuasive. The 101 rejection of 12/24/2008 has been withdrawn.
2. The examiner asserts that the applicant has failed to traverse the examiner's Official Notice and that the noticed fact is now considered applicant admitted prior art. Examiner took Official Notice in claim(s) 4, 5, 11 and 12 in the office action dated 05/29/2008 to which the applicant's response did not traverse.

Here, per MPEP 2144.03, Official Notice is used to establish "facts" without supporting documentary evidence. In particular, said facts should (a) "serve only to 'fill in the gaps' which might exist in the evidentiary showing made by the examiner to support a particular ground of rejection" and (b) should not be "the principal evidence upon which a rejection was based". [see MPEP 2144.03A]. Further, "[i]f such notice is taken, the basis for such reasoning must be set forth explicitly" so that Applicant can "adequately traverse the rejection in the next reply after the Office action in which the common knowledge statement was made" [MPEP 2144.03B]. In this vein, "[t]o adequately traverse such a finding, an applicant must specifically point out the supposed errors in the examiner's action, which would include **stating why the noticed fact is not considered to be common knowledge or well-known in the art**. [see MPEP 2144.03C & 37 CFR 1.111(b), emphasis added]. Here, only "[i]f applicant adequately traverses the examiner's assertion of official notice, the examiner must provide documentary evidence in the next Office action if the rejection is to be maintained. [see *Id.* & 37 CFR 1.104(c)(2)]. "If applicant does not traverse the examiner's assertion of official notice or applicant's traverse is not adequate, the examiner should clearly indicate in the next Office action that the common knowledge or well-known in the art statement is taken to be admitted prior art because applicant either failed to traverse the examiner's assertion of official notice or that the traverse was inadequate." [MPEP 2144.03C].

Allowable Subject Matter

3. The indicated allowability of claims 22 and 23 is withdrawn in view of the newly discovered reference(s) to Kaplan and a review of the claim language. Rejections based on the newly cited reference(s) follow.

A review of the claims and updated search necessitated the rejections below.

Claim Objections

4. Applicant is advised that should claims 32 and 37 be found allowable, claims 44 and 41 will be objected to, respectively, under 37 CFR 1.75 as being a substantial duplicate thereof. When two claims in an application are duplicates or else are so close in content that they both cover the same thing, despite a slight difference in wording, it is proper after allowing one claim to object to the other as being a substantial duplicate of the allowed claim. See MPEP § 706.03(k).

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

5. Claim 46 is rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Claim 46 is held to be non-statutory as the computer claimed is comprised only of code. See MPEP 2106 [R-6].

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

6. Claims 22, 23, 26-30, 32, 35, 36, 44, 45 and 46 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kaplan et al. (2002/0095369) in view of Melamed (2004/0024695) applicant admitted prior art and Official Notice.

As per claim 22;

Kaplan does not specifically disclose:

A computer-readable medium having computer executable software code stored thereon, the code for managing collateralized obligations, the code comprising:

code to identify a plurality of debt obligations according to terms of an asset

management agreement, which together constitute a single debt index;

code to link a first investment deal to the single debt index according to terms of the asset management agreement;

code to link a second investment deal to the single debt index according to terms of the asset management agreement;

code to change at least one debt obligation from the plurality of debt obligations in the single debt index according to terms of the asset management agreement; and responsive to the change of the debt obligation in the single debt index, code to change an obligation of the linked first investment deal according to terms of the asset management agreement.

However, Kaplan discloses:

A compute readable Media including computer code instructions for performing a method for anonymously buying and selling a structured financial product over a computer network (Claim 40). The examiner asserts that because the language of claim 22 includes elements which are not positively recited, the claim is not limited by these elements. See MPEP 2111.03 where claim scope is not limited by claim language that suggests or makes optional but does not require steps to be performed. In the present case, code to perform an action suggests that the action can be performed but does not require it be performed. The examiner suggests that the claim be amended to say, for example, ...comprising code, that when executed by a computer, performs the following actions: identifying...; linking...; changing...; etc.

Melamed discloses;

Financial indices which undergo changes to the underlying securities that they are comprised of essentially rebalancing the indices in order to maintain a certain risk level by substituting securities or changing the amount invested in the index (Para's. 0003-0008). The examiner asserts that the limitations of linking a first or second investment deal to an index is disclosed in Para. 0006 where Melamed discloses investors who invest in financial indices. Melamed further discloses changing an obligation of the deal (changing amount invested) when a change in the index occurs (Para. 0006).

Applicant admitted prior art discloses that asset management agreements were old and well known at the time of this invention.

The examiner also takes official notice that it was well known at the time of this invention that a collateralized debt obligation is a structured financial product based on the movement of an underlying index.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice. One of ordinary skill in the art at the time of this invention would have been motivated to do so in order to facilitate the trading of structured financial products.

Claim 23 is rejected under the same rationale used to reject claim 22 in addition to Para. 0047 of Melamed which discloses a computer with a memory and a processor.

Claim 26 is rejected under the same rationale used to reject claim 22.

Claims 27-29 are rejected under the same rationale used to reject claim 26.

As per claim 30;

Kaplan does not disclose

The computer according to claim 23, wherein the first and second investment deals are formed at distinct and different times.

However, the examiner asserts that forming different investment deals at different times would have been obvious to one of ordinary skill in the art at the time of this invention because the only other option would be to form them simultaneously. As the different deals can be sold to different investors and through different issuers it is unlikely that they would be formed simultaneously.

As per claim 35;

Kaplan does not disclose:

The computer according to claim 23, further comprising:
responsive to a change of a debt obligation in the single debt index, code to break the link to the first investment deal.

However, applicant admitted prior art discloses that it was old and well known in the art to liquidate or sell portfolios or investments at the investors' discretion or the managers' advice should the change in the index yield undesirable results.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice.

One of ordinary skill in the art at the time of this invention would have been motivated to do so in order to maintain an ideal or desired risk level, and/or increase returns and/or profits.

As per claim 32;

Kaplan does not disclose:

Establishing for different times, a maximum allowable number of changes to the single debt index.

However, the examiner takes Official Notice that setting a rebalancing frequency or limiting turnover is old and well known in the art at the time of this invention. Limiting the number of changes in a time period would have been an obvious variation of this methodology.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice.

One of ordinary skill in the art at the time of this invention would have been motivated to do so in order to reduce transaction fees or costs.

As per claim 36;

Kaplan does not disclose:

The computer according to claim 23, wherein the asset management agreement is an agreement between a sponsor and an asset manager, the computer further comprising: code to manage the single debt index according to terms of the asset management agreement.

However, applicant admitted prior art discloses that asset management agreements were old and well known in the art at the time of this invention.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice. One of ordinary skill in the art at the time of this invention would have been motivated to do so in order to retain professional counsel and maximize the investors' desired results.

Claim 44 is rejected under the same rationale used to reject claim 32.

Claim 45 is rejected under the same rationale used to reject claims 23, 27, 29 and 36.

Claim 46 is rejected under the same rationale used to reject claim 23.

7. Claim 31 is rejected under 35 U.S.C. 103(a) as being unpatentable over Kaplan et al. (2002/0095369) in view of Melamed (2004/0024695) applicant admitted prior art and Official Notice and Martinez (7,174,313).

As per claim 31;

Kaplan does not disclose:

The computer according to claim 23, further comprising:

after identifying the plurality of debt obligations, code to wait a predetermined time before allowing any change of the at least one debt obligation in the single debt index.

However, Martinez discloses:

Parameters by which portfolios are managed and rebalanced including the frequency of rebalancing or the degree of deviation needed to trigger a rebalance (Col. 2, lines 55-65).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art, Official Notice and Martinez.

One of ordinary skill in the art at the time of this invention would have been motivated to do so as Martinez is directed toward the rebalancing of portfolios.

8. Claims 33 and 34 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kaplan et al. (2002/0095369) in view of Melamed (2004/0024695) applicant admitted prior art and Official Notice and Ram (2006/0069635).

As per claim 33;

Kaplan does not disclose:

The computer according to claim 23, further comprising:
code to establish a maximum value of investment deals that can be linked to the single debt index.

However, Ram discloses specifying limits on portfolio total market value or total quantity of specific equity securities, index components, etc. in an overall portfolio. Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, Applicant admitted prior art, Official Notice and Ram. One of ordinary skill in the art at the time of this invention would have been motivated to do so as the value of the portfolio should not exceed the value of the underlying securities.

Claim 34 is rejected under the same rationale used to reject claim 33.

9. Claims 37 and 41 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kaplan et al. (2002/0095369) in view of Melamed (2004/0024695) applicant admitted prior art and Official Notice and Andrus (2002/0059127).

As per claim 37;

Kaplan does not disclose:

The computer according to claim 23, wherein the linked first investment deal is a special purpose vehicle.

However, Andrus discloses:

A special purpose vehicle chartered to hold the assets and liabilities of a single series of funds received from capital markets investors (Para. 0017).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art, Official Notice and Andrus. One of ordinary skill in the art at the time of this invention would have been motivated to do so to raise capital for corporate investments.

Claim 41 is rejected under the same rationale used to reject claim 37.

10. Claims 38, 40, 42 and 43 are rejected under 35 U.S.C. 103(a) as being unpatentable over Kaplan et al. (2002/0095369) in view of Melamed (2004/0024695) applicant admitted prior art and Official Notice and Joao (2002/0032586).

As per claim 38;

Kaplan does not disclose:

The computer according to claim 23, wherein the linked first investment deal is a managed note.

However, Joao discloses a Credit linked note created and issued to investors (Para. 0020).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice and Joao. One of ordinary skill in the art at the time of this invention would have been motivated to do so in order to offer a variety of securities in the portfolio.

As per claim 40;

Kaplan does not disclose:

The computer according to claim 23, wherein the linked first investment deal is a swap.

However, Joao discloses a swap created and issued to investors (Para. 0020).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice and Joao. One of ordinary skill in the art at the time of this invention would have been motivated to do so in order to offer a variety of securities in the portfolio.

As per claims 42 and 43;

Kaplan does not disclose:

The computer according to claim 23, wherein the obligation of the linked first investment deal is a debt or synthetic obligation.

However, Joao discloses a credit derivative being any one of a bond, note, securitized bond, securitized note, a swap, a credit swap, an option, a credit option...a credit linked note, etc. (Para. 0020).

The examiner asserts that one of ordinary skill in the art at the time of this invention would recognize that a debt or synthetic obligation is an obvious variant of a credit linked note. Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice and Joao.

11. Claim 39 is rejected under 35 U.S.C. 103(a) as being unpatentable over Kaplan et al. (2002/0095369) in view of Melamed (2004/0024695) applicant admitted prior art and Official Notice, Joao (2002/0032586) and BaFin (Federal Financial Supervisory Authority, Circular R 1/2002).

As per claim 39;

Kaplan does not disclose:

The computer according to claim 23, wherein the linked first investment deal is a managed schuldschein.

However, BaFin discloses that a schuldschein is a credit linked note.

Further, Joao discloses a credit linked note created and issued to investors (Para. 0020).

Therefore, it would have been obvious to one of ordinary skill in the art at the time of this invention to combine the methods of Kaplan, Melamed, applicant admitted prior art and Official Notice and BaFin and Joao.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to William E. Rankins whose telephone number is 571-270-3465. The examiner can normally be reached on M-F 7:30 AM - 5:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Thomas Dixon can be reached on 571-272-6803. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/William E Rankins/
Examiner, Art Unit 3696
05/28/2009

/Daniel S Felten/
Primary Examiner, Art Unit 3696